

By: Thompson of Harris

H.B. No. 1599

A BILL TO BE ENTITLED

AN ACT

relating to the requirement and study of insurance coverage for serious emotional disturbance of a child.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1355.001, Insurance Code, is amended by adding Subdivision (5) to read as follows:

(5) "Serious emotional disturbance of a child" means an emotional or behavioral disorder or a neuropsychiatric condition that causes a person's functioning to be impaired in thought, perception, affect, or behavior and that:

(A) has been diagnosed, by a physician licensed to practice medicine in this state, a psychologist licensed to practice in this state, or a licensed professional counselor licensed to practice in this state, in a person who is at least three years of age and younger than 17 years of age; and

(B) meets at least one of the following criteria:

(i) the disorder substantially impairs the person's ability in at least two of the following activities or tasks:

(a) self-care;

(b) engaging in family relationships;

(c) functioning in school; or

(d) functioning in the community;

(ii) the disorder creates a risk that the

1 person will be removed from the person's home and placed in a more  
2 restrictive environment, including in a facility or program  
3 operated by the Department of Family and Protective Services or an  
4 agency that is part of the juvenile justice system;

5 (iii) the disorder causes the person to:

6 (a) display psychotic features or  
7 violent behavior; or

8 (b) pose a danger to the person's self  
9 or others; or

10 (iv) the disorder results in the person  
11 meeting state special education eligibility requirements for  
12 serious emotional disturbance.

13 SECTION 2. Subchapter A, Chapter 1355, Insurance Code, is  
14 amended by adding Section 1355.0041 to read as follows:

15 Sec. 1355.0041. REQUIRED COVERAGE FOR SERIOUS EMOTIONAL  
16 DISTURBANCE OF A CHILD. (a) Notwithstanding Section 1355.002,  
17 this section does not apply to:

18 (1) a basic plan under Chapter 1575; or

19 (2) a primary care coverage plan under Chapter 1579.

20 (b) A group health benefit plan:

21 (1) must provide coverage for serious emotional  
22 disturbance of a child, based on medical necessity, for not less  
23 than the following treatments in each calendar year:

24 (A) 45 days of inpatient treatment; and

25 (B) 60 visits for outpatient treatment,  
26 including group and individual outpatient treatment;

27 (2) may not include a lifetime limitation on the

1 number of days of inpatient treatment or the number of visits for  
2 outpatient treatment covered under the plan; and

3 (3) must include the same amount limitations,  
4 deductibles, copayments, and coinsurance factors for serious  
5 emotional disturbance of a child as the plan includes for physical  
6 illness.

7 (c) A group health benefit plan issuer:

8 (1) may not count an outpatient visit for medication  
9 management against the number of outpatient visits required to be  
10 covered under Subsection (b)(1)(B); and

11 (2) must provide coverage for an outpatient visit  
12 described by Subsection (b)(1)(B) under the same terms as the  
13 coverage the issuer provides for an outpatient visit for the  
14 treatment of physical illness.

15 (d) The department shall conduct a study to determine and  
16 evaluate the extent to which enrollees are making claims under  
17 coverage for serious emotional disturbance of a child and the  
18 impact, if any, the coverage for serious emotional disturbance of a  
19 child and the claims have on the cost of the coverage for group  
20 health benefit plans.

21 (e) Not later than August 1, 2018, the department shall  
22 submit to the governor, the lieutenant governor, the speaker of the  
23 house of representatives, and the appropriate standing committees  
24 of the legislature a report regarding the results of the study  
25 required by Subsection (d), together with any recommendations for  
26 legislation.

27 (f) This subsection and Subsections (d) and (e) expire

1 September 1, 2019.

2 SECTION 3. Sections 1355.005 and 1355.007, Insurance Code,  
3 are amended to read as follows:

4 Sec. 1355.005. MANAGED CARE PLAN AUTHORIZED. A group  
5 health benefit plan issuer may provide or offer coverage required  
6 by Section 1355.004 or 1355.041 through a managed care plan.

7 Sec. 1355.007. SMALL EMPLOYER COVERAGE. An issuer of a  
8 group health benefit plan to a small employer must offer the  
9 coverage described by Section 1355.004 or 1355.041 to the employer  
10 but is not required to provide the coverage if the employer rejects  
11 the coverage.

12 SECTION 4. Section 1355.054(a), Insurance Code, is amended  
13 to read as follows:

14 (a) Benefits of coverage provided under this subchapter may  
15 be used only in a situation in which:

16 (1) the covered individual has a serious mental  
17 illness or serious emotional disturbance of a child as defined by  
18 Section 1355.001 that requires confinement of the individual in a  
19 hospital unless treatment is available through a residential  
20 treatment center for children and adolescents or a crisis  
21 stabilization unit; and

22 (2) the covered individual's mental illness or  
23 emotional disturbance:

24 (A) substantially impairs the individual's  
25 thought, perception of reality, emotional process, or judgment; or

26 (B) as manifested by the individual's recent  
27 disturbed behavior, grossly impairs the individual's behavior.

1           SECTION 5. The change in law made by this Act applies only  
2 to a group health benefit plan that is delivered, issued for  
3 delivery, or renewed on or after January 1, 2018. A group health  
4 benefit plan that is delivered, issued for delivery, or renewed  
5 before January 1, 2018, is governed by the law as it existed  
6 immediately before the effective date of this Act, and that law is  
7 continued in effect for that purpose.

8           SECTION 6. This Act takes effect September 1, 2017.